

SUFFOLK COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Steve Levy
Suffolk County Executive

H. Lee Dennison Building; 3rd Fl.
100 Veterans Memorial Highway
P.O. Box 6100
Hauppauge, NY 11788-0099
(631) 853-4802 Fax: (631) 853-8351

ACCEPTED BY THE BOARD 4/27/11

MINUTES IDA REGULAR MEETING MARCH 24, 2011

PRESENT

Jim Morgo, Chairman
Peter Zarcone, Treasurer
Steve Rossetti, Secretary
Elizabeth Custodio, Member
Alan J. Ehl, Member

EXCUSED ABSENCE

David Rosenberg, Vice Chairman
Yves Michel, Member

ALSO PRESENT

Bruce E. Ferguson, Executive Director
Anthony J. Catapano, Deputy Executive Director
Daryl Leonette, Secretary
Regina Halliday, Bookkeeper
William Wexler, Esq., Agency Counsel
William Weir, Esq., Bond Counsel
Adam Santiago, Aide to the Presiding Officer William J. Lindsay, S.C. Legislator
James T. Madore, Sr. Business Writer/Economy, Newsday

The Regular Meeting of the Suffolk County Industrial Development Agency held in the Conference Room of the Agency, 100 Veterans Memorial Highway, H. Lee Dennison Building, 3rd. Floor, Hauppauge, NY was called to order at 12:30 p.m.

Karp Associates, Inc. & Flush Metal Partitions, LLC: Request for an inducement resolution for a tax-exempt/taxable bond and/or a lease transaction.

Mr. Ferguson presented Exhibit A. Mr. Ferguson indicated that Karp Associates is a manufacturer of commercial access doors and its subsidiary Flush Metal Partitions manufactures commercial restroom/toilet partitions. They are currently located in Maspeth, NY and need to relocate because the State is taking their property through eminent domain as part of a project on the Kosciuszko Bridge. They also have a facility in North Carolina. They propose to purchase, renovate and equip an existing 155,000 square foot facility on 9.6 acres at 260 Spagnoli Road, Melville. Mr. Ferguson indicated they are requesting approval of a \$17,500,000 tax-exempt/taxable bond and/or lease transaction. Approximately \$7,000,000 will be for manufacturing equipment and they may use tax-exempt bond financing for this portion of the project. Mr. Ferguson indicated that a total of 108 employees will be retained and that these are union jobs since both Karp and Flush are unionized. Mr. Rossetti indicated that since this is a manufacturer the Agency should provide a very aggressive incentive package. Mr. Rossetti felt this was an opportunity for the IDA to set a precedent showing that Suffolk County is friendly to business. Mr. Rossetti thought that perhaps a PILOT up to 15 years would be appropriate. Mr. Ferguson indicated that current taxes are approximately \$1.50 per square foot which is very reasonable for that facility. Mr. Ferguson indicated that for this type of project the Agency generally provides an enhanced abatement which provides a 100% abatement on the increased assessment the first year and declines 10% per year for a 10 year period. Mr. Morgo noted that with an existing facility its difficult to calculate what the future assessments will be which depend upon improvements to the building and future use. After discussion and:

Upon a motion by Mr. Rossetti, seconded by Mr. Ehl, it was:

RESOLVED, to approve an inducement resolution for an approximately \$17.5 million tax-exempt/taxable bond and/or lease transaction with an enhanced abatement for the Karp Associates, Inc. & Flush Metal Partitions, LLC facility.

Unanimously carried 5/0.

Mr. Morgo indicated that Bruce and he attended the first meeting of the Long Island IDA Coalition hosted by the LIA. Mr. Morgo explained that one of the purposes of the meeting is to have IDAs work more closely together and that the first meeting was incredibly productive.

Minutes

The Minutes of the November 18, 2010; December 16, 2010 and January 28, 2011 were accepted.

Forest Laboratories, Inc.: Request for a final resolution.

Mr. Ferguson presented Exhibit B. Forest Laboratories was approved at the December 2010 Meeting for 100% abatement on the increased assessed value of improvements at their 500 Commack Road facility in order to help them remain in Suffolk County. They are moving forward with a final resolution request. Mr. Catapano indicated that the Public Hearing was held on March 22, 2011 and there were no comments.

Upon a motion by Mr. Rossetti, seconded by Mr. Zarcone, it was:

RESOLVED, to approve a final resolution for an approximately \$39,327,307 lease transaction.

Unanimously carried 5/0.

Mr. Zarcone asked if Forest was creating any new jobs and Mr. Ferguson responded that this is primarily job retention by keeping jobs here in Suffolk County.

ABO Update:

Mr. Morgo indicated that all Board Members have submitted their evaluations.

New York State Local Public Authority Mission Statement and Measurement Report:

Mr. Ferguson explained the IDA Mission Statement and Measurements to the Board.

After discussion and:

Upon a motion by Mr. Zarcone, seconded by Ms. Custodio, it was:

RESOLVED, to approve the New York State Local Public Authority Mission Statement and Measurement Report.

Unanimously carried 5/0.

Operations and Accomplishments – 2010:

Mr. Ferguson explained the IDA Operations and Accomplishments Reports for 2010 to the Board. After discussion and:

Upon a motion by Mr. Rossetti, seconded by Mr. Ehl, it was:

RESOLVED, to approve the Operations and Accomplishments Report 2010 for the Suffolk County Industrial Development Agency.

Unanimously carried 5/0.

Upon a motion by Mr. Zarcone, seconded by Mr. Rossetti, it was:

RESOLVED, to adjourn the Regular Meeting of the Suffolk County Industrial Development Agency.

Unanimously carried 5/0.

The Meeting adjourned at 12:55 p.m.

The next Regular Meeting of the Suffolk County Industrial Development Agency is tentatively scheduled for April 28, 2011.

SCIDA PROJECT ABSTRACT

MEETING DATE: March 24, 2011

CONTACT: George Kosser, V.P. of Operations

PHONE: 718-784-2105

APPLICANT NAME: Karp Associates, Inc. & Flush Metal Partitions, LLC
AND ADDRESS 54-54 43rd. St. 54-35 46th. St.
Maspeth, NY 11378 Maspeth, NY 11378

PRINCIPALS: Adam Gold (100% - both companies)

PRODUCT/SERVICES: Manufacturers of access doors (Karp) & manufacturer of commercial restroom/toilet partitions (Flush).

PRESENT FACILITIES: Own X Lease 3 bldgs. Acreage _____ Sq. Ft. 120,000 sq. ft. total
(25,000 sq. ft. bldg.) Karp – 25,000 sq. ft. Flush – 45,000 lease Maspeth
20,000 lease 30,000 lease N.C.
45,000 sq. ft. 75,000

NEW LOCATION/TAX MAP #: 260 Spagnoli Road, Melville, NY 11747

PROJECT DESCRIPTION: Purchase, renovation and equipping of a 155,000 sq. ft. bldg. on 9.6 acres. The two companies will be consolidated into one building for more efficient operations.

PROJECT COSTS:

**AUTHORIZATION SOUGHT: \$17,500,000 Lease Transaction -
(May use tax-exempt bonds for the mfg. equipment – approx. \$7.0 mill)**

LAND

EXISTING BUILDING	\$7,000,000
PURCHASE & REHAB. OF EXISTING BUILDING	3,000,000
CONSTRUCTION NEW BUILDING	
ADDITION OR EXPANSION	
ENGINEERING & ARCHITECTURAL FEES	250,000
EQUIPMENT	7,000,000
LEGAL FEES (BANK, BOND & COMPANY)	250,000
FINANCE CHARGES	
OTHER FEES/CHARGES	
RESERVE (DEBT SERVICE & OPERATING)	

TOTAL PROJECT COSTS	\$17,500,000
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EMPLOYMENT:

	<u># OF EMPLOYEES</u>	<u>ANNUAL PAYROLL</u>	<u>AVERAGE SALARY</u>
PRESENT (All Facilities)	108	\$3,940,000	\$36,481
PRESENT (Suffolk County Only)	--	--	--
PROPOSED 1ST. YEAR	108	3,940,000	36,481
2ND. YEAR	108	3,940,000	36,481

COMMENTS

COUNTY OF SUFFOLK




STEVE LEVY
SUFFOLK COUNTY EXECUTIVE

DEPARTMENT OF PLANNING

Thomas A. Isles, A.I.C.P.
DIRECTOR OF PLANNING

MEMORANDUM

TO: Bruce Ferguson, Administrative Director

FROM: Michael Mulé, Environmental Projects Coordinator 

DATE: March 22, 2011

RE: I.D.A SEQRA Evaluation – Karp Associates, Inc. & Flush Metal Partitions, LLC

I have reviewed the environmental record for the above referenced project. It involves the purchase, renovation and equipping of an existing 155,000 sq. ft. building for the manufacturing of access doors and restroom/toilet partitions. This project should be classified at the March 24, 2011 meeting of the Suffolk County Industrial Development Agency as an Unlisted Action under SEQRA pursuant to Title 6 NYCRR Part 617. The proposal does not appear to involve any expansion of the building footprint or substantial increases in traffic, water usage, sewage or solid waste. Therefore, no significant environmental impact is expected. As such, a determination of non-significance should be issued by the Suffolk County Industrial Development Agency with no further environmental review necessary. Please be advised that permit approvals from other County and Town entities may be required and would be subject to SEQRA review by the appropriate agencies at that time.

LOCATION
H. LEE DENNISON BLDG. – 4TH FLOOR
100 VETERANS MEMORIAL HIGHWAY

MAILING ADDRESS
P.O. BOX 6100
HAUPPAUGE, NY 11788-0099

(631) 853-5191
fax (631) 853-4044

SCIDA PROJECT ABSTRACT

MEETING DATE: 12/16/10

CONTACT: Ralph Kleinman, V.P. Tax & Treasury
PHONE: 212-224-7160APPLICANT NAME: Forest Laboratories, Inc.
AND ADDRESS 500 Commack Road
Commack, NY 11725

PRINCIPALS: Public Corporation (FRX)

PRODUCT/SERVICES: Pharmaceutical research development; manufacture & distribution.

PRESENT FACILITIES: Own 6 Lease 3 Acreage Sq. Ft. 945,109

NEW LOCATION/TAX MAP #: 500 Commack Road, Commack, NY (Town of Smithtown)

PROJECT DESCRIPTION: To consolidate various operations (research and analytical laboratories; clinical packaging of research materials; data center; sales & leadership training and general office operations) into 270,000 sq. ft. of unused space at 500 Commack Rd. which has a total of 387,415 sq. ft. on 28.8 acres in order to remain competitive and to stay in Suffolk County.

PROJECT COSTS:

AUTHORIZATION SOUGHT: \$39,327,307 Lease Transaction

LAND

EXISTING BUILDING

PURCHASE & REHAB. OF EXISTING BUILDING

CONSTRUCTION NEW BUILDING

RENOVATION OF EXISTING BUILDING

37,002,307

ENGINEERING & ARCHITECTURAL FEES

2,325,000

EQUIPMENT

LEGAL FEES (BANK, BOND & COMPANY)

FINANCE CHARGES

OTHER FEES/CHARGES

RESERVE (DEBT SERVICE & OPERATING)

TOTAL PROJECT COSTS

\$39,327,307

EMPLOYMENT:

	<u># OF EMPLOYEES</u>	<u>ANNUAL PAYROLL</u>	<u>AVERAGE SALARY</u>
PRESENT (All Facilities)	1,019	\$86 Million	\$84,396
PRESENT (Suffolk County Only)	679	57 Million	83,947
PROPOSED 1ST. YEAR	684	57.3 Million	83,772
2ND. YEAR	689	57.6 Million	83,599

COMMENTS: 12/16/10 – Preliminary inducement resolution for an approximately \$39,327,307 lease transaction.

Voting: 6 (JM,DR,PZ,EC,AE,YM) – 0 Absent: SR.

3/22/11 - Public hearing held.

COUNTY OF SUFFOLK




STEVE LEVY
SUFFOLK COUNTY EXECUTIVE

DEPARTMENT OF PLANNING

Thomas A. Isles, A.I.C.P.
DIRECTOR OF PLANNING

MEMORANDUM

TO: Bruce Ferguson, Administrative Director

FROM: Michael Mulé, Environmental Projects Coordinator 

DATE: March 22, 2011

RE: I.D.A SEQRA Evaluation – Forest Laboratories, Inc.

I have reviewed the environmental record for the above referenced project. It involves the renovation of an existing 387,415 sq. ft. building for the consolidation of various aspects of Forest Laboratories' operations. The proposed project should be classified at the March 24, 2011 meeting of the Suffolk County Industrial Development Agency as a Type II Action under SEQRA pursuant to Title 6 NYCRR Part 617.5(c) (1), (2), (20) & (25) since it involves continuing agency administration for the purchase of equipment or supplies relating to the maintenance, repair, replacement, rehabilitation or reconstruction of a structure or facility, in kind, on the same site. Once the proposed project is appropriately classified by the Lead Agency no further action under SEQRA is required.

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